

EXHIBIT 8

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November 4, 2010

Jefferson County, Alabama
Jefferson County Courthouse
716 Richard Arrington Boulevard
Birmingham, Alabama 35203
Attn: President of County Commission

Jefferson County, Alabama
Jefferson County Courthouse
716 Richard Arrington Boulevard
Birmingham, Alabama 35203
Attn: Jefferson County Attorney

Re: **Notice of Claims Pursuant to Alabama Code §6-5-20**

Ladies and Gentlemen:

Notice of claims is hereby provided by The Bank of New York Mellon (the "Indenture Trustee"), acting not in its individual capacity but solely in its capacity as trustee for the Parity Securities issued under, and secured by, that certain Trust Indenture dated as of February 1, 1997 (as supplemented to the date hereof, the "Indenture"), executed by Jefferson County, Alabama (the "County"), in favor of the Indenture Trustee.¹

Because claims in the enforcement of the Parity Securities are expressly exempted from Alabama Code § 6-5-20, presentment of this claim is not required. Nevertheless, the Indenture Trustee is making presentment of this claim out of an abundance of caution in the event the County were to assert that the enforcement of

¹ Unless otherwise defined herein, all capitalized terms shall have the definition given them in the order appointing John S. Young, Jr., LLC Receiver entered on September, 22, 2010 in the case styled *The Bank of New York Mellon, as Indenture Trustee v. Jefferson County, Alabama, et al.*, CV-2009-02318 pending in the Circuit Court of Jefferson County, Alabama (the "Receiver Order").
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November 4, 2010

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the Indenture Trustee's rights and remedies were subject to the provisions of Alabama Code § 6-5-20.

The Indenture Trustee hereby makes a claim against the County for all Cash Equivalent Assets and requests that the County turn over to the Receiver all Cash Equivalent Assets in the County's possession, custody or control, and for all System Revenues that were not properly deposited as required by the Indenture and used to pay Operating Expenses, including but not limited to for all funds the County received from J.P. Morgan Securities Inc., or any of its affiliates (collectively "J.P. Morgan"), pursuant to the November 4, 2009, settlement between the Securities and Exchange Commission ("SEC") and J.P. Morgan.² The settlement resolved the SEC's claims that J.P. Morgan violated securities laws when it acted as the underwriter of the 2002-C Sewer Warrants, the 2003-B Sewer Warrants, the 2003-C Sewer Warrants and as the swap provider on three Qualified Swaps. As part of the settlement, J.P. Morgan paid the County \$50 million.

Under the express terms of the Indenture, the County was required to deposit the \$50 million in the County's Sewer System Revenue Account. Further, in recognition of the fact that the \$50 million is attributable to the System, the County used System revenues to pay attorneys in three separate law firms to pursue collection of the \$50 million. In violation of the Indenture, the County has diverted the settlement proceeds to its general fund. Because the \$50 million payment is directly traceable to revenues generated from the System it is an Asset of the System and the County by wrongfully diverting the settlement proceeds is obligated to immediately turn over \$50 million to the Receiver.

The failure to deliver to the Receiver the Cash Equivalent Assets, including \$50 million which has been diverted from the System, is in direct contravention of the Indenture and the Receiver Order. Therefore, the Indenture Trustee requests that the County act on the claim asserted herein including turning over to the Receiver all Cash Equivalent Assets in its possession, custody or control and reimbursing the System \$50 million which was diverted. We are aware that the

² On November 4, 2009, the SEC issued its Order Instituting Administrative Cease-and-Desist Proceedings, pursuant to § 8A of the Securities Act of 1933 and §§ 15(b) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the "SEC Order") in the matter styled *In the Matter of J.P. Morgan Securities Inc.*, Administrative Proceeding File No. 3-13673. As provided for in the SEC Order, J.P. Morgan made \$50 million dollar payment to Jefferson County, Alabama.

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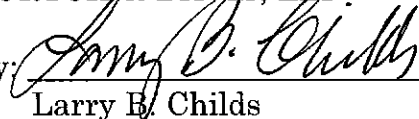
November 4, 2010

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County is due to receive an additional \$25 million from JP Morgan through the SEC Fair Fund. Under the Indenture, these funds are also due to be paid over to the System.

WALLER LANSDEN
DORTCH & DAVIS, LLP.

By:




Larry B. Childs

Attorneys for Bank of New York
Mellon, as Indenture Trustee

**VERIFICATION BY CLAIMANT THE BANK OF NEW YORK MELLON, IN
ITS CAPACITY AS INDENTURE TRUSTEE**

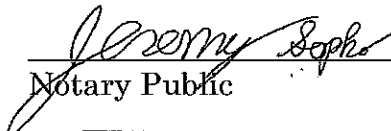
STATE OF PENNSYLVANIA)
) ss.:
COUNTY OF ALLEGHENY)

Bridget M. Schessler, having been duly sworn, deposes and says that she is an authorized representative of Claimant The Bank of New York Mellon, in its capacity as Indenture Trustee, that she is duly authorized by The Bank of New York Mellon, in its capacity as Indenture Trustee to make this verification on its behalf, that she has read the foregoing Notice of Claims By Indenture Trustee pursuant to Alabama Code § 6-5-20 to Jefferson County, Alabama, and that she believes the contents of the foregoing to be true to the best of her knowledge, information and belief based on her review of the information that is contained in the records of and that is available to The Bank of New York Mellon, in its capacity as Indenture Trustee.

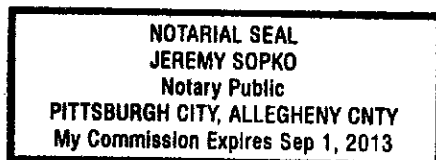


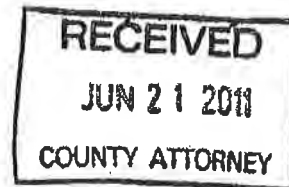
Bridget M. Schessler

Sworn to before me
this 4th day of November,
2010.



Notary Public





June 20, 2011

Jefferson County, Alabama
Attn: President of County Commission
County Courthouse
716 Richard Arrington Boulevard
Birmingham, Alabama 35203

Re: Notice of Claims Pursuant to Alabama Code § 6-5-20

Ladies and Gentlemen:

The Receiver is aware that, on February 16, 2011, Jefferson County, Alabama (the "County") received \$25,033,692 from a Fair Fund distribution (the "Fair Fund Payment") arising from a settlement between J.P. Morgan Securities Inc., or its affiliates (collectively "J.P. Morgan"), pursuant to the November 4, 2009, settlement between the Securities and Exchange Commission (the "SEC") and J.P. Morgan.¹ The settlement resolved the SEC's claims that J.P. Morgan violated securities laws when it acted as the underwriter of the 2002-C Sewer Warrants, the 2003-B Sewer Warrants, the 2003-C Sewer Warrants and as the swap provider on three Qualified Swaps. As part of the settlement, J.P. Morgan previously paid the County \$50 million (the "J.P. Morgan Payment").

Formal presentment pursuant to Alabama Code 6-5-20 of claims that are covered by the Receiver Order is not required. In particular, claims for the enforcement of the Parity Securities are expressly exempted from Alabama Code § 6-5-20. Nevertheless, The Bank of New York Mellon and the Receiver, out of an abundance of caution, previously made presentment of claims with respect to the First Payment on November 4 and 9, 2011, respectively.

In the unlikely event that the County may ultimately contend that the enforcement of the rights and remedies under the Receiver Order are subject to the provisions of Alabama Code 6-5-20 with respect to the Fair Fund Distribution, the Receiver hereby submits this letter as presentment of said claims on behalf of the System and the Receiver.

¹ On November 4, 2009, the SEC issued its Order Instituting Administrative Cease-and-Desist Proceedings, pursuant to § 8A of the Securities Act of 1933 and §§ 15(b) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the "SEC Order") in the matter styled *In the Matter of J.P. Morgan Securities Inc.*, Administrative Proceeding File No. 3-13673.

² Unless otherwise defined herein, all capitalized terms shall have the definition given them in the order appointing the Receiver entered on September, 22, 2010 in the case styled *The Bank of New York Mellon, as Indenture Trustee v. Jefferson County, Alabama, et al.*, CV-2009-02318 pending in the Circuit Court of Jefferson County, Alabama (the "Receiver Order").

June 20, 2011
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We look forward to continuing to work in a cooperative manner with the County regarding this and other issues related to the System.

John S. Young, Jr. LLC, in its capacity as the
lawfully-appointed Receiver of the Sewer
System of Jefferson County, Alabama

By: 

John S. Young, Jr.

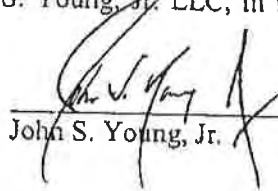
Its: Member

cc: Commissioner Jimmie Stephens
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Mr. Jeff Sewell

**VERIFICATION BY CLAIMANT JOHN S. YOUNG, JR. LLC, IN ITS CAPACITY AS
RECEIVER**

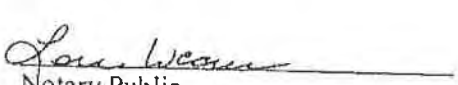
STATE OF Alabama)
)
COUNTY OF Jefferson)

John S. Young, Jr., having been duly sworn, deposes and says that he is an authorized representative of Claimant John S. Young, Jr. LLC, in its capacity as Receiver, that he is duly authorized by John S. Young, Jr. LLC, in its capacity as Receiver to make this verification on its behalf, that he has read the foregoing Notice of Claims Pursuant to Alabama Code § 6-5-20 to Jefferson County, Alabama, and that he believes the contents of the foregoing to be true to the best of his knowledge, information and belief based on his review of the information that is contained in the records of and that is available to John S. Young, Jr. LLC, in its capacity as Receiver.



John S. Young, Jr.

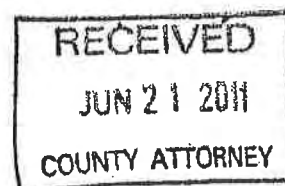
Sworn to before me
this 20 day of June, 2011.



Notary Public

MY COMMISSION EXPIRES NOVEMBER 14, 2012

2011 JUN 21 15



June 20, 2011

Jefferson County, Alabama
Attn: President of County Commission
c/o Jeff Sewell, Jefferson County Attorney
Jefferson County Courthouse
716 Richard Arrington Boulevard
Birmingham, Alabama 35203

Re: Demand for \$50 Million J.P. Morgan Payment Benefitting Ratepayers

Dear Commissioner Carrington:

John S. Young, Jr., LLC (the "Receiver") was appointed Receiver for the Jefferson County Sewer System by Judge Albert Johnson in his Order dated September 22, 2010 entered in Jefferson County Circuit Court Case No. CV-2009-02318 (the "Receiver Order").¹

The Receiver Order provides the Receiver with the sole and exclusive right to receive, collect, take possession of, and preserve all accounts, incomes, profits, and other revenues generated from and by the System including the System's Cash Equivalent Assets. Receiver Order at 9, ¶ 2.d. The System's Cash Equivalent Assets are defined broadly to include all funds generated from or related to the administration, maintenance and operation of the System. *Id.* at 14-15, ¶ 4.b. This definition includes "that portion of the County general fund to the extent that it consists of receipts and revenues on account of or related to the System . . . including . . . any and all other rights to receive payments and/or property used in, generated from or related to the administration, maintenance and operation of the System." *Id.*

As you are aware, on November 4, 2009, the Securities and Exchange Commission ("SEC") issued its Order Instituting Administrative Cease-and-Desist Proceedings, pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the "SEC Order") in the matter styled *In the Matter of J.P. Morgan Securities Inc.*, Administrative Proceeding File No. 3-13673. The SEC Order resolved the SEC's claims that J.P. Morgan Securities, Inc. ("J.P. Morgan") violated securities laws when it acted as the underwriter of Jefferson County's (the "County") 2002-C Sewer Warrants, the 2003-B Sewer Warrants, the 2003-C Sewer Warrants and as the swap provider on three Qualified Swaps.

¹ Defined terms not specifically defined herein have the meaning ascribed to them in the Receiver Order.

Among other things, the SEC Order required J.P. Morgan to make a \$50 million payment (the "J.P. Morgan Payment") to the County for the purpose of assisting "displaced County employees, residents, and sewer ratepayers." SEC Order at ¶ 52. On November 9, 2010, the Receiver provided notice to the County of a claim to the J.P. Morgan Payment. A copy of the November 9, 2010 letter is attached.

The warrant offerings and related swap agreements at issue in the SEC Order were part of the warrants and other agreements issued pursuant to the Indenture (specifically, the 2002-C Sewer Warrants, the 2003-B Sewer Warrants, the 2003-C Sewer Warrants and three Qualified Swap Agreements). *See id.* at ¶¶ 6-10. Any harm resulting from the actions that form the basis of the findings of the SEC Order was thus suffered by the System and its customers, as recognized by the SEC in mandating that the J.P. Morgan Payment was for the purpose of "assisting sewer ratepayers." *Id.* at ¶ 52.

As noted in the Receiver's "First Interim Report on Finances, Operations, and Rates of the Jefferson County Sewer System" filed on June 14, 2011, the Receiver intends to use the J.P. Morgan Payment to fund the low-income assistance program described therein. *See* Interim Report at 73-74. This is consistent with the SEC Order's finding that the J.P. Morgan Payment be used for the purpose of assisting "displaced County employees, residents, and sewer ratepayers."

Those citizens of the County most directly impacted by the subject of the SEC settlement with JPMorgan are, as the County has recognized, low-income System ratepayers. As former County Commission President Bettye Fine Collins pointed out in the attachment to her June 3, 2009 letter to the SEC, sewer ratepayers and especially those with low incomes were the most impacted by the System's debt crisis. As then-Commissioner Collins wrote:

[l]arge rate increases will be demanded and inevitable litigation will ensue to determine what rates are reasonable. This leaves the possibility of an increased burden on the sewer rate payers alone. It is well documented that the County's sewer users include a disproportionate number of low income citizens who are ill-equipped to take on that burden.

Further, in recognition of the fact that the J.P. Morgan Payment is attributable to the System, the County used System Revenues to pay attorneys from three separate law firms to pursue collection of the J.P. Morgan Payment. In violation of the Indenture, the County appears to have diverted the J.P. Morgan Payment to its general fund. Since the J.P. Morgan Payment is directly traceable to revenues generated from the System, it is an Asset of the System and the County is obligated to immediately turn over the J.P. Morgan Payment to the Receiver.

Demand is hereby made that the County deliver the \$50 million J.P. Morgan Payment to the Receiver for the purpose of using it to fund the Receiver's low-income assistance program for multiple years. If the County wishes to discuss the possibility of a payment plan that fully funds the low-income assistance program, the Receiver is willing to discuss the terms of payment. If the County fails within seven (7) days to agree to transfer the funds to the Receiver

or to agree to a payment plan that fully funds the low-income assistance program for multiple years, the Receiver will file an appropriate motion with the court.

The Receiver is also sending under separate cover a notice of claim letter pursuant to Alabama Code § 6-5-20 setting forth its right to the additional \$25,033,692 that the County received on or about February 16, 2011 from a Fair Fund distribution in furtherance of the SEC Order.

JOHN S. YOUNG, JR. LLC, in its capacity as the
lawfully-appointed Receiver of the Sewer
System of Jefferson County, Alabama

By: _____

John S. Young, Jr.

Its: Member

cc: Commissioner Jimmie Stephens
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Mr. Jeff Sewell